

EXHIBIT 4

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

STATES OF NEW YORK,
MASSACHUSETTS,
WASHINGTON, COLORADO,
CONNECTICUT, DELAWARE,
DISTRICT OF COLUMBIA,
HAWAII, ILLINOIS, IOWA, NEW
MEXICO, NORTH CAROLINA,
OREGON, PENNSYLVANIA,
RHODE ISLAND, VERMONT, and
VIRGINIA,

Plaintiffs,

v.

DONALD TRUMP, in his official
capacity as President of the United
States; U.S. DEPARTMENT OF
HOMELAND SECURITY; ELAINE
C. DUKE, in her official capacity; U.S.
CITIZENSHIP AND IMMIGRATION
SERVICES; U.S. IMMIGRATION
AND CUSTOMS ENFORCEMENT;
and the UNITED STATES OF
AMERICA,

Defendants.

CIVIL ACTION NO. 1:17-cv-05228
(NGG) (JO)

Declaration of Ike Brannon

1. I am currently an economist who is president of the consulting firm Capital Policy Analytics. I also have an affiliation with the Cato Institute.
2. I received my MA and Ph.D. in Economics from Indiana University.
3. I was an economics professor in the University of Wisconsin System from 1994-2002. In 2001 I was given tenure and promoted to associate professor.
4. Since then I have worked in Washington DC, for (in order) the Office of Management and Budget, the Congressional Joint Economic Committee, The Senate Finance Committee, The U.S. Treasury, and the House Energy and Commerce Committee.
5. In 2008 I was chief economist for the John McCain for president campaign.
6. My coauthor, Logan Albright, received his Master's Degree in economics in 2011 from Georgia State University, and has worked as a policy analyst in Washington, DC for the last five years, including positions at think tanks and policy organizations such as the American Action Forum, FreedomWorks, Free the People, and Capital Policy Analytics.
7. Whereas the President has expressed a desire to end Deferred Action for Childhood Arrivals (DACA) program, we conducted a thorough investigation of the economic and fiscal costs that such action would impose on the federal government, and to the economy as a whole and published that research in January 2017.
8. We recently updated this analysis to break down these costs by state, using survey data from DACA recipients.
9. My co-author Logan Albright and I began our analysis by comparing DACA recipients to those immigrants who hold H-1B visas. These are high-skilled, well-educated immigrants who are demographically analogous to DACA students, all of whom must necessarily enroll in higher education programs in order to be eligible.
10. The average DACA recipient is 22 years old, employed, and a student. 17 percent of them are on track to complete an advanced degree. The college attrition rate of DACA recipients is miniscule compared to domestic students, an indication of the exceptional

1 caliber of the DACA students. H-1B holders are generally between 25 and 34,
2 employed, and most have completed degrees. In short, we posit that they look like what
3 DACA recipients will look like in a few years' time.

- 4 11. We begin our analysis by using a study from the Hoover Institute¹ on the economic
5 impact of expanding the H-1B visa program as our baseline. We adjusted that estimate
6 by the difference in the number of recipients and the difference in income. To conform
7 to Congressional budget procedures we compiled a ten year aggregate cost.
- 8 12. We determined that, if DACA recipients were completely analogous to H-1B holders,
9 their removal would constitute a budgetary loss of \$127 billion and a GDP loss of \$512
10 billion.
- 11 13. We adjusted for the fact that DACA recipients, being younger and not completely done
12 with their education, earn on average roughly 43 percent of what H-1B holders earn.
13 What's more, the population of DACA recipients is about 750,000, compared to the
14 660,000 H-1B holders the Hoover study examined, so we adjusted for these
15 differences.
- 16 14. From this, we determined that, over a ten-year window, a repeal of DACA would cost
17 the federal government \$60 billion in lost revenue, and the economy as a whole \$215
18 billion in lost GDP.
- 19 15. As a way of confirming our result, we consulted a study from the National Research
20 Council that estimated the average long-term fiscal impact for immigrants who remain
21 in the country for an extended period of time. This result coincided with our own nearly
22 perfectly (\$59.3 billion versus our \$60 billion).
- 23 16. There are DACA recipients in 35 states and the District of Columbia. Using survey data
24 from the Center for American Progress,² we estimated the total cost of repealing DACA
25 for each of the relevant states, based on the proportion of DACA recipients who live
26 locally.

¹ Thomas Church, Estimating the Economic and Budgetary Effects of New H1-B Visas in the Senate Gang of Eight's Proposed Immigration Bill, Hoover Institution (May 7, 2013)

<http://www.hoover.org/sites/default/files/uploads/natl-20130513-estimating-the-economic-and-budgetary-effects-of-h1-b-reform-in-s-711.pdf>


² Tom K. Wong, National Immigration Law Center, and Center for American Progress, Results from National Survey of DACA recipients, <https://cdn.americanprogress.org/wp-content/uploads/2015/07/DACA-Wong-NILC-CAP-Codebook-PDF.pdf>

17. Of the 50 states, California will bear the highest cost, with over 30 percent of DACA recipients. Factoring in budgetary and economic effects, California's total cost over a ten year window would be \$84.2 billion (See Table 1).

18. It is important to note that these estimates are conservative, as DACA recipients will likely end up being more productive than their current salaries indicate, as they age and complete their degrees. Nor does this analysis factor in the enforcement cost of physically deporting recipients, should the program be eliminated.

19. In summary, the repeal or rollback of the DACA program would have a significant and negative fiscal and economic impact on the country, and would disproportionately affect the various states in which DACA recipients are most prevalent.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and complete to the best of my knowledge.


Ike Brannon, Ph.D.

8/31/2017

Date

Table 1: Cost of DACA Repeal By State 2018-2028

State	Budget Cost (Millions \$)	Economic Cost (Millions \$)	Total Cost (Millions \$)
AL	258	924.5	1,182.5
AZ	2,826	10,126.5	12,952.5
CA	18,372	65,833	84,205
CO	768	2,752	3,520
CT	642	2,300.5	2,942.5
DC	900	3,225	4,125
DE	258	924.5	1,182.5

1	FL	5,910	21,177.5	27,087.5
2	GA	1,158	4,149.5	5,307.5
3	HI	126	451.5	577.5
4	IA	258	924.5	1,182.5
5	IL	1,926	6,901.5	8,827.5
6	IN	642	2,300.5	2,942.5
7	KS	384	1,376	1,760
8	MA	258	924.5	1,182.5
9	MD	642	2,300.5	2,942.5
10	MI	768	2752	3,520
11	MN	126	451.5	577.5
12	MO	126	451.5	577.5
13	NE	126	451.5	577.5
14	NJ	384	1,376	1,760
15	NM	258	924.5	1,182.5
16	NV	126	451.5	577.5
17	NY	10,794	38,678.5	49,472.5
18	NC	2,184	7,826	10,010
19	OH	126	451.5	577.5
20	OK	126	451.5	577.5
21	OR	384	1376	1,760
22	PA	258	924.5	1,182.5
23	SC	258	924.5	1,182.5
24	TN	258	924.5	1,182.5
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26				

1	TX	5,142	18,425.5	23,567.5
2	UT	384	1,376	1,760
3	VA	1,026	3,676.5	4,702.5
4	WA	1,800	6,450	8,250